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Press Release

Fulop Administration Takes Steps towards Correcting Schools Funding Gap with Abatement Audit

Outside Auditors Being Hired at Next Council Meeting to Review ALL Past Tax Abatements; Fulop Admin Following BOE Forensic Audit Recommendations

JERSEY CITY – Mayor Steven M. Fulop announced today that the City of Jersey City will be moving forward with hiring auditors to review all historical Payment in Lieu of Taxes (PILOT) agreements per the recommendation of the Board of Education forensic audit. The audit will ensure the city is receiving the maximum amount of revenue according to each individual PILOT agreement and any additional dollars found will be transferred to the Board of Education.

“While our Administration has done away with granting tax abatements, we feel it is important to audit the abatements that were granted by previous mayors to ensure that those agreements are being upheld.” **Mayor Fulop** said. “Our priority over the next few months is to work closely with the Board of Education to solve the issues facing the city, and if there are recommendations from their audit that show areas where more money can be made available, our responsibility is to pursue it.”

The City Council will review proposals for three firms - Donohue, Gironda, Doria & Tomkins, LLC; Wielkotz & Company, LLC; and Hodulik & Morrison, P.A. - to review the 178 active abatement agreements, ranging from 5 years to 30 years in length, with the oldest projects dating back to early 1990s.

“This is significant and many years in the making,” said **Ward D Councilman Michael Yun**. “This is a declaration of Jersey City’s independence from the developer class, a signal that the voters are truly in control. Developers have received their abatements. This will insure that they are paying their fair share to our community and is our first step in finding additional funding for our schools.”

Mayor Fulop’s Administration has not granted any tax abatements for more than 3 years, as his position has been that this needs to be a tool used selectively and not in the same way that previous mayors had given them to nearly all projects.

“We are thoroughly reviewing each PILOT agreement and all payments made to ensure the city receives the maximum amount possible and that all PILOT payment calculations are correct,” said **John Metro, Director of the Department of Finance**. “Once each audit is complete, we plan to contact property owners to confirm the billing adjustments. We will hold every developer accountable for their fair share of taxes.”

“Over the next few weeks, we intend on presenting a comprehensive plan for immediate and long-term funding to solve the issues facing the schools. We are working hard on finding new revenue and cost savings, and we expect the elected Board of Education members to do the same per recommendations from their forensic audit,” Fulop concluded.

All media inquiries should be directed to Kimberly Scalcione, Press Secretary to Mayor Steven M. Fulop at KScalcione@jcnj.org or 201-376-0699. ////